

SENATE AGRICULTURE COMMITTEE

House Bill 48

**Testimony of Ron de Yong
Director, Montana Department of Agriculture**

SENATE AGRICULTURE

EXHIBIT NO. 2

DATE 3-3-09

BILL NO. HB 48

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

For the record, my name is Ron de Yong, director of the Montana Department of Agriculture. I am here to testify in favor of House Bill 48.

As Rep. Beck indicated, HB 48 clarifies the statutes for the Montana Growth Through Agriculture program. It does not significantly change how the program is administered by the Agriculture Development Council and the Montana Department of Agriculture.

There is no fiscal impact due to these proposed housekeeping changes.

The proposed language eliminates confusion and streamlines the statutes under which the program is administered, making it explicit to what we do, which is give out grants and loans. This program was established in 1987 and over the past several years it has become obvious that the wording of the statute required updating.

When making decisions as to whom we give a grant or loan, we must determine:

- Is this a viable business, will it actually work?
- Has the applicant received a loan or grant from us before; what is their track record?
- Will the project benefit the industry as a whole; will it add employees or processing capabilities? (e.g.: Advancing food processing or renewable energy programs within the state.)
- Is there collateral for a loan; what type of loan or grant best fits the applicant's financial situation?

I respectfully request your support for this bill.